



# LOAN FUND

31 December 2020

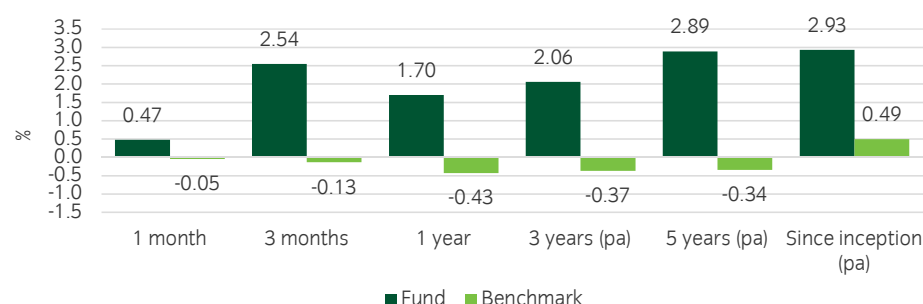
## FUND OBJECTIVE

The Fund seeks to produce an annual interest based return, primarily through investment in a portfolio of loans

## FUND SUMMARY

- Targets attractive returns in excess of cash by investing in high quality senior secured loans and other debt
- Aims to provide insulation from interest rate risk
- Employs a defensive asset selection strategy to achieve its return objective
- Offers investors portfolio diversification benefits

## SHARE CLASS PERFORMANCE



Source: Insight Investment and Rimes. Fund performance is shown for share class S € Acc and is calculated as total return, including reinvested income, gross of fees and expenses. Gross of fees performance results do not reflect the deduction of charges, which will reduce investors' returns. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested. The Fund's base currency changed from GBP to EUR on 29 November 2019. Prior to 29 November 2019, Fund performance was shown for a GBP share class and from 29 November 2019 it has been shown for a EUR share class. As a result, the Fund's performance prior to 29 November 2019 has been converted to EUR. Therefore the performance shown will differ with the actual performance experienced in the GBP share class.

## FUND MANAGER COMMENTS

The Fund generated a positive return in December but underperformed the CS Western European Institutional Loan Index. With limited primary issuance, investors turned to the secondary market despite the renewed lockdown measures across Europe in response to a mutation of the virus. The technical backdrop in loans remained strong, with all primary deals easily absorbed. The index's distress ratio fell from 1.6% in November to 1.3% in December, with the default rate up from 2.4% to 2.6%. We bought the AVS and Datasite new issues, sold Flora, and cut SGB-SMIT. The focus of the European leveraged loan market is on primary issuance, helped by the rebound in M&A and buyout activity. Demand for paper is strong, the collateralised loan obligation supply is healthy and cash balances are high. Despite pandemic-related uncertainty, positive vaccine news has buoyed sentiment. We will invest selectively in businesses with decent cashflow generation, as well as tactical opportunities in riskier/more cyclical names

## FUND FACTS

**Fund size:** €119.0m

**Inception date:** 31 March 2008

**Benchmark:** 3 Month EURIBOR

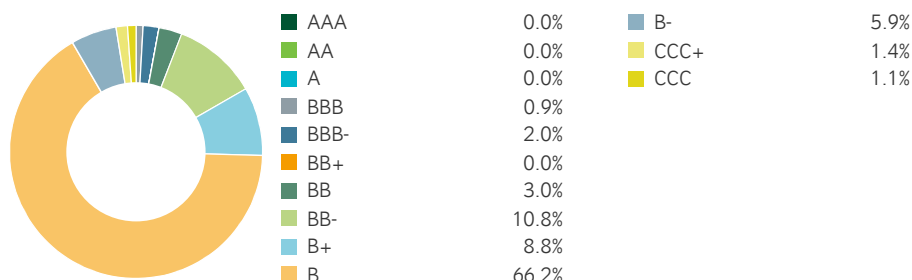
**Fund manager:** Lorraine Specketer

**Target return:** Outperform benchmark by 2.5% pa (before tax, fees and expenses). However, a positive return is not guaranteed and a capital loss may occur.

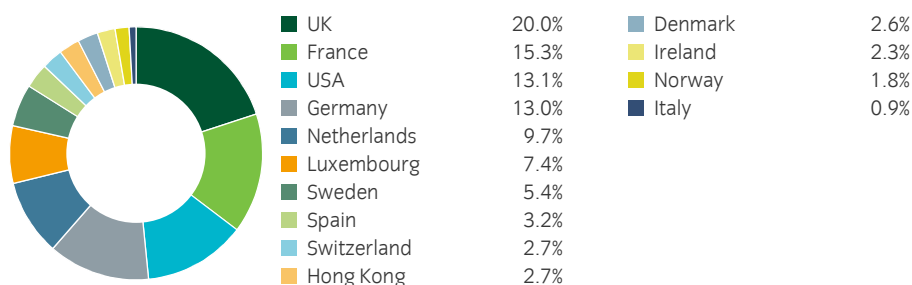
## FUND CHARACTERISTICS

	Fund
Weighted average life (years)	4.3
Weighted average discount margin (bp)	447

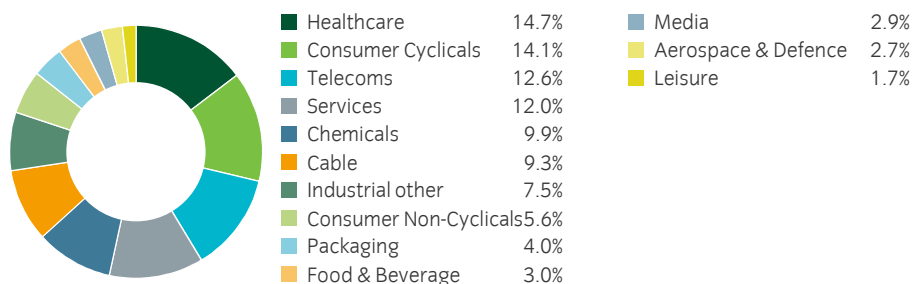
## CREDIT RATING



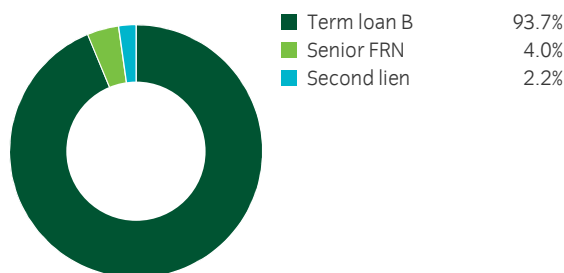
## GEOGRAPHY



## FUND ALLOCATION



## RISK REPAYMENT TYPE



## TECHNICAL DETAILS

**Legal structure:** Qualifying Investor Alternative Investment Fund (QIAIF)

**Domicile:** Ireland

**Share class currencies:** Euro, Sterling

**Dealing frequency:** 15th calendar day or next following Business Day (London) and last Business Day of month

**Settlement period:** T+7

**Pricing method:** Swinging single price

**Scheme:** LDI Solutions Plus ICAV

**Depository:** Northern Trust Fiduciary Services (Ireland) Limited

**Administrator:** Northern Trust International Fund Administration Services (Ireland) Limited

**Ongoing charges:** 0.09% (represented by share class S Euro Acc, other share classes are available)



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- Any losses in the fund will be borne solely by investors in the fund and not by BNY Mellon (including its affiliates); therefore BNY Mellon's losses in the fund will be limited to losses attributable to the ownership interests in the fund held by BNY Mellon and any affiliate in its capacity as an investor in the fund or as beneficiary of a restricted profit interest held by BNY Mellon or any affiliate.
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- Investors should read the fund's offering documents before investing in the fund. Information about the role of BNY Mellon, its controlled affiliates, and their employees in sponsoring or providing services to the fund are described in the Volcker Rule section of the offering documents.

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